

50X1

**CONFIDENTIAL**

SECRETARY INFORMATION

REPORT NO. 

50X1

**COUNTRY** Hungary**DATE DISTR.** 9 Feb. 1954**SUBJECT** Organization of a Production Division  
in the Foundries and Machine Industry**NO. OF PAGES** 3**DATE OF INFORMATION** 

50X1

**REFERENCES:****SUPP. TO** 

50X1

**PLACE ACQUIRED****THIS IS UNEVALUATED INFORMATION**

50X1

1. A production division in the Foundries and Machine Industry Ministry was in control of production in enterprises of a branch of industry under the division, e.g., the Iron Metallurgy Division of the Ministry was responsible for production in all enterprises engaged in the production of iron and steel for Hungarian industry. A production division was broken down in the following way, with each department directly subordinate to a corresponding administrative division of the Ministry. For instance, the personnel department of each production division carried out directives of the Personnel Division of the Ministry, the materials and goods distribution department of each production division carried out directives from the Materials and Goods Distribution Division of the Ministry, etc.
2. The chiefs of divisions in all ministries were recruited almost 100% from the workers' cadres. On the other hand, the chief's deputy was generally a trained, experienced engineer who directed all technical matters in the division. A production division chief was responsible for the carrying out of production requirements assigned to his division, and he was therefore concerned with finding more efficient methods of production and the orderly performance of work. He could fire his subordinates or take disciplinary measures against them in order to maintain a necessary standard of efficiency for the fulfillment of his division's assignment, and he could also fire or suspend any factory official if irregularities were discovered at a factory under his supervision. The division chief knew full well that he would not be spared himself if production lagged, and that in such a case he might be transferred to manage some small factory or reduced again to the status of common laborer.

**CONFIDENTIAL**

-----

50X1

## CONFIDENTIAL

-2-

50X1

3. The personnel department appointed employees up to the rank of chief referent (foeeloeadó) with approval of the division chief and the Hungarian Workers' Party secretary in the division. (Appointments to positions above the rank of chief referent were made by the Personnel Division of the Ministry. Appointments to positions of Chief and Deputy Chief in the Personnel Division of the Ministry were made by the Central Control Committee of the Hungarian Workers' Party (Magyar Dolgozók Partja Koezponti Ellenőrző Bizottság) with approval of the Minister. Appointments of ministers and deputy ministers were made by the Hungarian Council of Ministers.) The personnel department of a production division sent recommendations to the Personnel Division of the Ministry for the appointment of selected personnel to the Red Academy [redacted] or other schools, in addition to handling routine personnel matters, such as transfers of employees, etc.
4. The materials and goods distribution department (Anyag és áruforgalmi osztály) compiled data on the needs for materials of the individual enterprises under the division and forwarded such data to the Ministry's Materials and Goods Distribution Division for further action. It also distributed the materials to the enterprises when they were received.
5. The plant maintenance control department (Üzemfenntartási osztály/üzemkarbantartó-osztály) was responsible for seeing that nothing held up production operations at the enterprises. Technical experts who worked in this department examined requests from factories to see if they were justified and if economy could be effected by using substitute materials.
6. The planning department issued instructions to the planning departments of the plants under the division. It supervised the completion on time of production plans by the plants and kept account of the plants' production plans item by item, forwarding the collected items to the Planning Division of the Ministry.
7. The work administration department (Munkaügyi osztály) determined the number of persons and the number of work hours required for the completion of a job. It procured and checked safety devices for the workers, and it apportioned overtime among the plants when it was necessary to complete urgent jobs.
8. The main bookkeeping department (Vallalati iparagi főkönyvelőseggel) kept books on all plants under the division's supervision as a check on the bookkeeping and finances of the individual enterprises. It carried out the orders of the Bookkeeping Division.
9. The production department (Termelési osztály) of a production division collected all the production data in enterprises under its control on the basis of maximum production capacity of individual plants. It determined the importance and urgency of production orders, listing them in the "production program" (gyártási program), and supervised the fulfillment of the program.
10. The investment department (Beruházási osztály) controlled the execution of investment plans in the enterprises and prepared reports for the information of the Investment Division. It also supervised and assisted the enterprises in the technical aspects of their investment programs.
11. Officials under the immediate direction of the division chief (Koezvetlenül a főosztály irányítása alvi tartozó személyek) included the following:
  - a. An official responsible for work competition (Főosztály

CONFIDENTIAL

50X1

CONFIDENTIAL

-3-

munkaverseny feleloes) collected and verified the fulfillment of pledges to increase production which were assumed on Party instructions. Pledges were obligatory on the following occasions, even if one pledge had just been fulfilled.

- 8 March - RAKOSI's birthday (date uncertain)
  - 15 March - anniversary of fight for liberation in 1848
  - 4 April - anniversary of "Liberation" of Hungary by Soviet forces
  - 1 May - May Day
  - 20 August - in honor of the Constitution, after the Soviet prototype
  - 7 November - anniversary of the Soviet Revolution
  - 21 December - STALIN's birthday
- b. An official responsible for elaboration of methods of inspection of materials arriving for use in enterprises under the control of the production division (A minoesegi anyagellenoerzesenek es atvetelenek kidolgozasa modjaert feleloes).
  - c. An official responsible for innovations (Foeosztaly ujitas feleloes) directed work in connection with innovations in factories, making decisions on their suitability and coordinating the technical and administrative personnel concerned in effecting them.
  - d. An official (since 1952) was in charge of preventive and safety measures in the industrial enterprises under control of a production division (fire prevention, air raid precautions, sanitation, etc.).

CONFIDENTIAL